

To the Members of the California State Assembly

I am returning Assembly Bill 249 without my signature.

This legislation requires the Legislative Analyst's office to conduct a study regarding taxpayers' usage of the Form 540 2EZ. Last year I signed a bill which, among other substantive things, required the compilation of a report on the exact same tax form by the same entity.

This bill is unnecessary and partially duplicates the already required report. I strongly recommend that the Franchise Tax Board work with the authors and their analyst's office, the Legislative Analyst's office, to ensure that the report includes all of the desired information, including information regarding the eligibility expansion to those with capital gains. I believe that such expansion merits review.

Sincerely,

Arnold Schwarzenegger